

LA MANCHA TO ACQUIRE A 19.9% STAKE IN SRG MINING FOR US\$10 MILLION

London, United Kingdom, 21 March 2022 - La Mancha Fund SCSp (the “Fund”), a fund advised by La Mancha Capital Advisory LLP (“La Mancha”), is pleased to announce that it has agreed to invest US\$10m to acquire a 19.9% stake in SRG Mining Inc. (TSXV:SRG) (“SRG”), which is developing the Lola Graphite Project (“Lola”) in the Republic of Guinea.

This investment represents a significant further step in La Mancha’s strategy of broadening and diversifying the Fund’s portfolio of battery metals developers and producers; this is in addition to the Fund’s investments in gold miners.

The transaction will consist of a private placement of 22,442,941 of SRG’s common shares to the Fund at a price of C\$0.56 per share, which represents a 20% discount to the unaffected average share price of reference (C\$0.70/sh). Once complete, the Fund will own 19.9% of SRG’s issued and outstanding common shares, making it one of SRG’s largest shareholders.

The proceeds will be used to advance Lola, with this first tranche of funding enabling the detailed engineering needed to allow Lola to be construction-ready by the end of 2022. At that stage, La Mancha will assess the viability of the Fund participating in a further fundraising that would finance SRG through to production.

In addition to the development of the Lola mine, and with the support of La Mancha and the Fund, SRG will pursue a vertically integrated strategy that includes the development of a downstream processing facility in Europe and that will allow direct supply of active anode material to battery manufacturers, capturing the maximum value from the supply chain.

Vincent Benoit, Partner & CIO at La Mancha, commented: *“The Fund’s investment in SRG represents a further investment in the EV commodities space, continuing the Fund’s strategy to support the development of the mines that are required to reach net zero. La Mancha Fund’s growing portfolio now includes a nickel and a graphite developer, with a wide range of further investment opportunities in energy transition commodities that are under active consideration.*”

La Mancha is impressed by SRG’s high ESG credentials, and looks forward to offering continued management support, with the possibility of the Fund providing continued financial support if the development programme progresses as expected.”

ENDS

About La Mancha Fund SCSp

La Mancha Fund SCSp (the “Fund”) is a Luxembourg-based deep value fund advised by La Mancha Capital Advisory LLP dedicated primarily to investments in the precious metals and energy transition metals space. The Fund and its predecessors have a strong and proven track record in the sector dating back to 2012, having played a leading role in the transformation of junior mining companies into well diversified, multi-billion-dollar market cap, region- and sector-significant actors.

Having transitioned to a fund structure with over USD 1.5 billion invested in mining assets by end of 2021, the Fund is now open to new capital, which will be invested alongside its existing investors including its founding investor, the Sawiris family, an Egyptian family with a track record of long-term value creation in telecoms, mining, media, and real estate.

About La Mancha Capital Advisory LLP

La Mancha Capital Advisory LLP (“La Mancha”) advises on strategic investments made by La Mancha Fund SCSp in publicly listed gold and energy transition commodity companies with a global outlook.

La Mancha Fund is a long-term minded investor, with a mandate to support mining companies to achieve sustained growth by providing long-term equity capital as well as operational and board level expertise, to further portfolio company performance and expansion.

La Mancha is an Appointed Representative of G10 Capital Limited, which is authorised and regulated by the Financial Conduct Authority (FRN 648953).

About SRG Mining

SRG Mining is a Canadian-based mining company focused on developing the Lola Graphite Project located in the Republic of Guinea, West Africa. The Lola Graphite Project has a Measured and Indicated Resource of 46Mt at a grade of 4.1% Cg. SRG aims to develop a fully integrated source of battery anode material to supply the European lithium-ion and fuel cell markets. With attractive operating costs, proximity to European end-markets and strong ESG credentials, SRG is poised to become a reliable supplier while promoting sustainability and supply chain transparency. SRG is committed to generating sustainable, long-term benefits that are shared with the host countries and communities where it operates.

For additional information, please visit SRG’s website at www.srgmining.com and La Mancha’s website at www.lamancha.com

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